

**TWSA BOARD MEETING PACKET**

**Wed, September 4, 2024 - 1:00 PM - 4:00 PM (PST)**

Please join meeting from your computer, tablet or smartphone.

**<https://meet.goto.com/151610197>**

You can also dial in using your phone. (For supported devices, tap a one-touch number below to join instantly.) United States (Toll Free): 1 877 309 2073 / One-touch: [tel:+18773092073,,786845925#](tel:+18773092073,786845925#)

**AGENDA (pages 1-3)**

- A. Introductions: New members or guests
- B. Public Comment: Conducted in accordance with Nevada Revised Statute (NRS) Chapter 214.020 and limited to a maximum of 3 minutes in duration.
- C. Presentations:
  - 1. Presentation from Nevada Green UP, Donna Walden
  - 2. Microplastics Intake Sampling Proposal – Katie Sneft, UC Davis, TERC
  - 3. DRINK TAHOE TAP® Canned Water Project Proposal, Kevin Drake, Alibi Ale Works
- D. Approval of Agenda - Sept. 4, 2024 TWSA Board Meeting pgs. 1-2
- E. Approval of Minutes - June 5, 2024 TWSA Board Meeting pgs. 3-8
- F. Reports
  - a. Staff Activity Report pgs. 9-13
  - b. Budget Report / Open Gov. link: <https://shorturl.at/DFPW3> pg. 14
  - c. TWSA Chair Report
- G. General Business (verbal updates/discussion/for possible action):
  - a. Microplastics Research/Intake Sampling proposal pgs. 15-18
  - b. Drink Tahoe Tap license agreement proposal pgs. 19-28
  - c. TWSA Executive Director and future budget considerations pgs. 29-33
  - d. TKPOA Control Methods Test Staff Summary pgs. 34-42
  - e. Annual Report Microbial Quality Discussion
  - f. Tahoe Water/Fire Partnership – general update
  - g. ATT Lead Line Removal Project – general update
  - h. Tahoe Science Advisory Council – NALMS conference sponsorship  
<https://www.nalms.org/nalms2024/> & TSAC white paper publishing fall 2024  
refer to link: [www.tahoesciencecouncil.org](http://www.tahoesciencecouncil.org)
- H. Purveyor Updates
- I. Public Comment
- J. Adjournment

TWSA Board Meetings are held on first Wednesdays, quarterly, from 1 to 4 PM; virtually.

Next Meeting: Dec. 4, 2024

**2024 TWSA Board of Directors:**

Suzi Gibbons (Chair), North Tahoe Public Utility District

Brandon Garden, Round Hill General Improvement District

Tom White; Richard Robilliard, Douglas County Systems

Patrick McKay; Mike McKee, Edgewood Water Company

Cameron McKay, Glenbrook Water Cooperative

Kate Nelson, Incline Village General Improvement District

Mitch Dion (vice-chair), Kingsbury General Improvement District

Nakia Foskett, Lakeside Park Association

Kim Boyd, Tahoe City Public Utility District

Shelly Thomsen, South Tahoe Public Utility District (non-voting)

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For more information, please contact:

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Certification of posting of agenda =

Online posting and email delivery of notice provided one week ahead of meeting.

Public comment is allowed and the public is welcome to make their public comment either via e-mail (please send your comments to [mod@ivgid.org](mailto:mod@ivgid.org) by 5 p.m. on Tuesday, Sept 3, 2024 via telephone (775-832-1203) on the day of the meeting. By, Madonna Dunbar, Executive Director, TWSA

Notes: Items on the agenda may be taken out of order; combined with other items; removed from the agenda; moved to the agenda of another meeting; moved to or from the Consent Calendar section; or may be voted on in a block. Items with a specific time designation will not be heard prior to the stated time, but may be heard later. Members of the public who are disabled and require special accommodations or assistance at the meeting are requested to call IVGID at 832-1212 at least 24 hours prior to the meeting.

TWSA agenda packets are available at the TWSA website ([www.TahoeH2O.org](http://www.TahoeH2O.org)) or the TWSA office at 1220 Sweetwater Road, Incline Village, Nevada 89451.

**TWSA Board Meeting**

Wednesday, June 5, 2024 – 1:00 pm to 3:00 pm

----- **Meeting Minutes** -----

**A.** Introductions  
Shay Navarro, Tahoe Regional Planning Agency (TRPA)  
Domi Fellers, Nevada Tahoe Conservation District (NTCD)

**B.** Public Comment  
No public comments were given.

**C.** Presentations  
No presentations were given.

Roll Call of Members in Attendance

Suzi Gibbons (NTPUD and LPA), Mitch Dion (KGID), Kate Nelson (IVGID), Kim Boyd (TCPUD), Tom White (Douglas County), Patrick McKay (Edgewood), Brandon Garden (RHGID), Shelly Thomsen (STPUD).

Regulators in attendance: Reggie Lang (NDEP)

TWSA Staff in attendance: Madonna Dunbar, Sarah Vidra

**D. Approval of Agenda** for the June 5, 2024, TWSA Board Meeting  
Motion to amend the agenda to include items G.e. 1 & 2 as NTCD Support letter and TRPA external Fire suppression system discussion, approve as amended unanimously.  
Motion to approve the amended agenda made by Brandon Gardner, second by Mitch Dion, all in favor, motion carried.

**E. Approval of Minutes** for the March 6, 2024 TWSA Board Meeting  
Minutes from March 6, 2024, were approved unanimously as submitted. Motion to approve the minutes from March 6, 2024 made by Patrick McKay, second by Kate Nelson, all in favor, motion carried.

**F.** Reports

a. Staff Activity

- The South Lake Tahoe single-use bottle ban went through. The Lake Tahoe Visitor Authority purchased 3K bottles for \$250K to be used at the event in South Lake Tahoe.
- Drink Tahoe Tap is a Lake Tahoe Stewardship Plan marketing campaign.
- The Tahoe Fund and Raleys are working on a second purchase of Drink Tahoe Tap Klean Kanteen.
- Earth Days - Staff participated in 3 Regional Earth Days, and conducted planning and preparation for Snapshot Day 2024, and the June 1 Community Cleanup.  
Tahoe Truckee Earth Day was held on 4/20/2024 at Palisades, Olympic Valley CA. The team served 633 Taste Tests between three drinking waters. Tahoe Tap received 491 best taste votes. The full results are below.

Water sample #1: North Tahoe PUD, 188 votes

Water sample #2: Tahoe City PUD, 303 votes

Water sample #3: bottled Arrowhead, 142 votes

South Lake Tahoe Earth Day: the second round of the Drink Tahoe Tap-Taste Test went smoothly at South Lake Tahoe Community College on Saturday, 4/27. At the South Lake event, the team served 277 Taste Tests, with 204 votes for Tahoe Tap.

Water sample #1: Incline Village GID, 99 votes

Water sample #2: South Tahoe PUD, 105 votes

Water sample #3: bottled Arrowhead, 73 votes

- Snapshot Day – TWSA staff hosted the North Shore portion of the at Tahoe Waterman’s Landing with 22 volunteers conducting grab sampling and recording site conditions at 17 locations from Tahoma to the East Shore.

b. TWSA Chair Report

The Chair thanked the Staff for representing the organization at the Earth Day events by hosting the Drink Tahoe Tap Taste Test.

**G. General Business** (Verbal Updates/Discussion/For Possible Action):

a. Water Bottle Refilling Station Program Reserve Fund Allocation

The TWSA board unanimously approved authorizing the use of a reserve fund allocation of \$30K for the water refilling station program for the financial year 2024-2025, using existing program guidelines. There is a waiting list for rebates. Total: \$40K for bottle fill station rebates, with \$30K from TWSA reserve funds and \$10K from the Tahoe Fund/Raley's partnership.

Board Discussion:

Congratulations on having a waiting list for the program; new rebates take time to get community support, and it's great that people are utilizing the program.

How many grants have been given to the City of South Lake Tahoe? There are no more applications from the City of South Lake Tahoe. The ones on the list are from the Washoe Tribe for Meeks Bay campground and Resort.

Great job getting utilization of the program.

Motion to authorize the use of reserve fund allocation for water refill station program for fiscal year 24-25 using the existing program guidelines in the amount of \$30K for TWSA allocation, was made by Kim Boyd, second by Patrick McKay, all in favor, motion passes.

b. Microplastics Research/Intake Sampling

No update at this time.

c. Tahoe Science Advisory Council

Staff has been working with the Tahoe Science Advisory Council on a white paper on the State of Microplastic Science in Lake Tahoe. The document will be circulated to board members and posted on the website when it is published.

d. TKPOA Control Methods Test Discussion

Staff Summary was provided to the group and is attached to the minutes of this meeting. The El Dorado court revoked the CMT permit. The litigation includes many of the TWSA talking points from the 10-year run leading up to the regulatory approval, and the court reinforced all the main talking points raised by the TWSA, including the proper scale and vetting of non-chemical methods. Staff did not know that the Sierra Club was taking on this endeavor and were surprised. The article in the Tahoe Tribune states that the CMT will continue in year three. There will be a TRPA & TKPOA hosted webinar on the CMT this evening. This year will be the second year of non-chemical Group B methods. The TKPOA will be appealing the decision.

Board Discussion:

- If the litigation calls for revoking the CMT permits, how are they continuing the project in year 3? During the permitting process, the regulators were adamant that permits were required for Group B methods and the use of chemicals because UV-C and laminar flow aeration were not approved treatment methods in the Lake Tahoe Basin.
- The judge ruled on every point this group came up with and sent in several rebuttal and comment letters. For every single point we made, the court basically found favor for water quality protection.

e. Tahoe Water Fire General Update

The Tahoe Water Fire Suppression Partnership has been awarded \$2.1 M for projects. Similar to last year, projects were ranked for submission. Two projects had top scores this year, one in the South Tahoe PUD and one in the North Tahoe PUD project. State Bill 1088 may be expanded to include funding for water for fire suppression infrastructure projects to apply for and receive funding.

1. TRPA External Fire Suppression System Discussion

- The TRPA is updating the BMP handbook for Fire Defensible Space and home hardening, including language on exterior structure sprinkler systems. The TWSA had a discussion on this item in the previous board meeting.
- Uses water only.
- Fire retardants, foam, or surfactants are not permitted.
- The property is:
  - a. connected to its own water system. Existing approved lake intake, well, storage tank, or cistern system.
  - b. obtains written permission from the local water purveyor allowing connection to the municipal water systems, with any required conditions, which may include but are not limited to:
    - Separate water meter
    - Flow limits
    - Remote access to shut down the system.

Board Discussion

- Thanks to the TRPA for discussing this issue; several requests have been made to install external fire sprinklers in the STPUD district. This puts the choice in the

hands of the water districts to make the call to do what's best for the supply and service area.

- Suggest clarifying language for cross-connection control and water utility involvement if storage tanks and cisterns are connected to municipal sources.
- What is the definition of remote access? Some of the proprietors of systems have an app that can shut down the system from a phone or mobile device. Utilities will not use a third-party app due to cyber security.
- The language should include a shut-off valve.
- The language should include an evacuation scenario. No municipal water is to be left running. These systems can be used for other reasons than wildfire.
- Cell phone service will most likely not be operational if a house needs this system.
- Is there a benefit to having these systems in wildland fire urban interface areas?
- We are not going to encourage people to install these systems.
- KGID will fine and penalize people who leave water on during a wildfire, which can put the entire system at risk.
- Individual members can make their requirements.
- If the water purveyor denies the system, will the TRPA still issue a permit? If the water purveyor says no, the property must have its own water system.
- IVGID: has anyone approved one of these systems or developed the rules or regulations for the systems? STPUD has also been approached about the installation of these systems. The district has included language about the systems in the water conservation ordinance, including language about water waste during an emergency evacuation. The administrative code may be updated in the future. This TRPA handbook update is the result of requests made throughout the basin.

2. NTCD staff provided the TWSA Board a description of their current project and proposed support letter language for individual member organizations to support the project.

Marla Bay has been experiencing beach erosion issues, and it would like to use the funding available from the NTCD through the EPA community watershed planning program. The erosion is causing exposed sewer laterals, including the main sewer line, at times. There were three instances of broken laterals or main. The NTCD is going after Bureau of Reclamation grant funds to decommission the sewer line in the shoreline and install individual homeowner lift stations. The project estimate is \$1M, the grant is 75% federal, and 25% has to be funded locally. TDD supports the project; if the grant is awarded, TDD will put up 25%, and the homeowners can pay them back. NTCD is asking for agency support letter for this project to show watershed support.

#### Board Discussion.

- Has the TDD taken a board action? Nothing has been written at this time.
- A small community with limited access is asking for public money to address individual homeowner responsibility. The value of the homes in that neighborhood does not meet the affordability of utility requirements. If the

homeowners do not take responsibility for the maintenance of the lift stations, the issues will still occur.

- The TWSA will not be signing the support letter as a group; individual members could sign if they like.
- The project does need to be done.
- There are other areas around the Lake; there has been a study on moving sewer infrastructure from the shoreline to under the road at an astronomical price in 2007.
- Do the homeowners have the necessary BMPs for the protection of the infrastructure? There are permits for work on retaining walls, and the idea is if the work will be done on the retaining walls, at the same time, the sewer infrastructure should be moved from the shorezone.
- What are the streets, and how many homes? Who owns the sewer main? Tahoe Douglas District owns the sewer main; the project will affect 22 lakefront homes in the Marla Bay community. The funding will be mainly used to demolish the sewer main and add lift stations to the sewer main on Lakeshore Blvd.

f. ATT Lead Line Removal Discussion

Staff will continue to monitor the project as it moves forward.

H. Purveyor Updates

**IVGID**-One water line replacement project is ongoing this summer, along with the effluent line replacement and 2M gallon effluent storage tank.

**RHGID** – The district is revamping its SCADA system to a cloud-based one; it's developed and is running as a backup to the current system. Large PLC upgrade for the filter plant. There have been I&I issues in the sewer system. They are conducting lead service line inventory. The Accessor's office provides the build date of the properties.

**EDGEWOOD**- Getting proposals to recoat the storage tanks and taking lead service inventory.

**TCPUD**- two big projects that are continuing, Tahoe Cedars reconstruction with progressive design-build and the RFQ, have been posted for a short list for an RFP. Funding opportunities include SRF (state revolving fund) and others. Madden Creek reconstruction, two of four phases complete; the last two 14M phases are in design this year, with construction planned for 2025. The West Lake Tahoe Treatment Plants should be done and commissioned online by the end of 2024. The district will work on a five-year rate study for adoption and implementation at the beginning of 2025. Tony Laliotis is retired from TCPUD in October, and Sarah Hussong Johnson became the Engineering Manager.

**KGID** – The district is doing a water line replacement project this summer. The SRF funding grant is for the mobile home park. One mile of tramway is also under

construction. The new admin operation facility is a brownfield restoration and recovery project to restore an old landfill.

**STPUD** – Prop 218 process has been completed, and the board approved up to a 9.5% increase in water and sewer for the next five years. The sewer increase could be up 14% in the first year. For 2024-2025, the increase was 9% for both water and sewer. Projects that are in progress include a water line project in the Herbert Walkup neighborhood, the rehabilitation of three drinking water storage tanks, and multiple sewer projects. As a power purchase agreement with Stantec, a one-megawatt solar plant is installed behind the wastewater treatment plant, which will offset a third of the plant's energy needs.

**Douglas County**—The clear well busters will be installed in the Cave Rock treatment plant in spring 2024. Service lines for inventory have been potholing. The Lake Ridge tank has been assessed, and the county is considering replacing it at this time.

**NDEP** – will be conducting sanitary surveys in the summer.

**NTPUD** - The district has awarded a contract for the water main replacement in the Brockway neighborhood on state route 28, with a kick-off date after Labor Day 2024. A bid is out for a water line service relocation project for a dozen condos in Carnelian Woods and the KB grid. Negotiations are in place with an engineering plan for a treatment plant assessment. There have been several leaks in the district, keeping the crews busy.

- I. Public Comment  
No public comments were given.
- J. Adjournment  
Kim Boyd motioned to adjourn the meeting, seconded by Brandon Garden, all in favor; meeting adjourned at 2:40 pm.



**TWSA Staff Report - June /July /August 2024:**

**Microplastics / Perchlorate**

TWSA staff has been very active on this topic, including presence on the Tahoe Science Advisory Council's microplastics subcommittee; working over the winter to develop a Tahoe-specific microplastics white paper to provide information upward (what needs study/findings to direct regulatory action/enhanced mitigations). The paper will summarize what is known and what needs further study; it will be released in fall 2024.

The most comprehensive characterization of microplastics in the Lake Tahoe Basin to date is occurring. Two TWSA Nevada members are participating with raw water samples for micro plastics analysis by TERC researchers. TWSA's sponsored Manta Trawl has been used in lake-wide sampling for more than two years now. The draft report is available upon request.

**Fireworks Sampling**

IVGID and Desert Research Institute are participating in an EPA / North American Lake Management Society (NALMS) 2024 surface water sampling project, "Assessing Perchlorate Occurrence in Ambient Waters Following the Usage of Fireworks EPA-G2022-STAR-11". Incline Village and Zephyr Cove locations are included in this national study. Details to follow.

**IVGID Wetlands Microplastics Sampling**

Staff facilitated a research project by Rachel Kozloski, a PhD Student/ Research Assistant in the Microplastics Laboratory, Division of Hydrologic Sciences at Desert Research Institute. She obtained water/sediment samples for a study on an established wastewater treatment wetland to look at how microplastics are captured and retained by the wetland and to look for any vertical movement of microplastics in wetland sediments.

**Drink Tahoe Tap, Programs**

The TWSA board authorized a \$30,000 funding allocation from reserves for the water refilling station grant program for the fiscal year 2024-2025 at the 3/6/2024 board meeting. 2023-24 applications have been robust, and all funds were allocated for 23-24.

Water Bottle Filling Station Grant Program Information is posted at:

[https://www.yourtahoeplace.com/uploads/pdfivgid/Water\\_Bottle\\_Filling\\_Station\\_Updated\\_amounts\\_TWSA\\_TF\\_GRANT\\_Program\\_whole\\_packet\\_UPDATED\\_for\\_2023-24\\_\(with\\_bitly\\_shortcut\).pdf](https://www.yourtahoeplace.com/uploads/pdfivgid/Water_Bottle_Filling_Station_Updated_amounts_TWSA_TF_GRANT_Program_whole_packet_UPDATED_for_2023-24_(with_bitly_shortcut).pdf)

**TWSA Outreach**

Staff hosted an educational booth at the 28<sup>th</sup> annual Lake Tahoe Summit on Aug. 14, 2024. In addition to the booth with a microplastic cleanup activity, and supporting parallel partner messages – TWSA distributed more than 500 LAKE TAHOE VISITOR AUTHORITY co-branded bottles w) DRINK TAHOE TAP<sup>®</sup> and Fill It Forward<sup>®</sup> <https://fillitforward.com/> at this annual environmental event.



### **Ongoing Outreach**

A Take Care funded billboard is featured along westbound Interstate 80 near Gold Ranch/Nevada and electronic billboards on the Basin entryways.

Expanded TWSA messaging on Drink Tahoe Tap and dog waste collection are being further developed in the Take Care partnership workgroup for use on the Take Care and TWSA outreach platforms.

New Videos: Clean Up the Lake has developed several new commercials for Tahoe Tap for summer 2024 media and social media promotions. They will be offering PR and promotions of the materials: <https://www.dropbox.com/scl/fo/p4knxvjsox209zwyIx3tx/ANScL0JgmnVpJNNpYOFyO3s?rlkey=2rj3t20sy641scvv3mafcy25o&st=g4uxrwo9&dl=0>

TWSA staff was interviewed with the [Hitchcock Project for Visualizing Science](https://hitchcockproject.org/pollution-solution-why-the-city-of-south-lake-tahoe-has-banned-single-use-plastic-water-bottles/) from the Reynolds School of Journalism, University of Nevada, Reno. <https://hitchcockproject.org/pollution-solution-why-the-city-of-south-lake-tahoe-has-banned-single-use-plastic-water-bottles/>

In addition, TWSA has been an active participant and sponsor of CUTL's 2024 Litter Summit. The Summit brings together a group of regulators, non-profits, and agencies to discuss research and planning for waste reduction in the watershed.

### **TWSA Watershed Control Program Annual Report**

2024 Production has begun. 2023 report production was completed and distributed. This report fulfills the EPA filtration exemption permit requirements for an Annual Watershed Control Program (WCP) report. It was received in NDEP office on December 27, 2023, to comply with the requirements of Nevada Administrative Code (NAC) 445A.525 and 40 Code of Federal Register (CFR) §141.71 and §141.520. Bureau of Safe Drinking Water Project number WA-0007357-23A-RI. The TWSA Annual Report is posted at: [https://www.yourtahoepace.com/uploads/pdf-publicworks/TWSA\\_AR\\_2023\\_-\\_narrative\\_data\\_only\\_for\\_web.pdf](https://www.yourtahoepace.com/uploads/pdf-publicworks/TWSA_AR_2023_-_narrative_data_only_for_web.pdf)

### **Aquatic Invasive Species (AIS)**

Staff participated in the TKPOA/TRPA Year II CMT project webinar update on Y II (2023) results and the implementation plan for 2024. Also the NAAWG quarterly meeting of 8/20/24.

The Tahoe Keys Control Methods Test Permit has been ordered invalid. The Sierra Club Tahoe Area Group and California Sportfishing Protection Alliance Announce Lake Tahoe Lawsuit Victory as California's Lahontan Regional Water Quality Control Board Permit is Vacated.

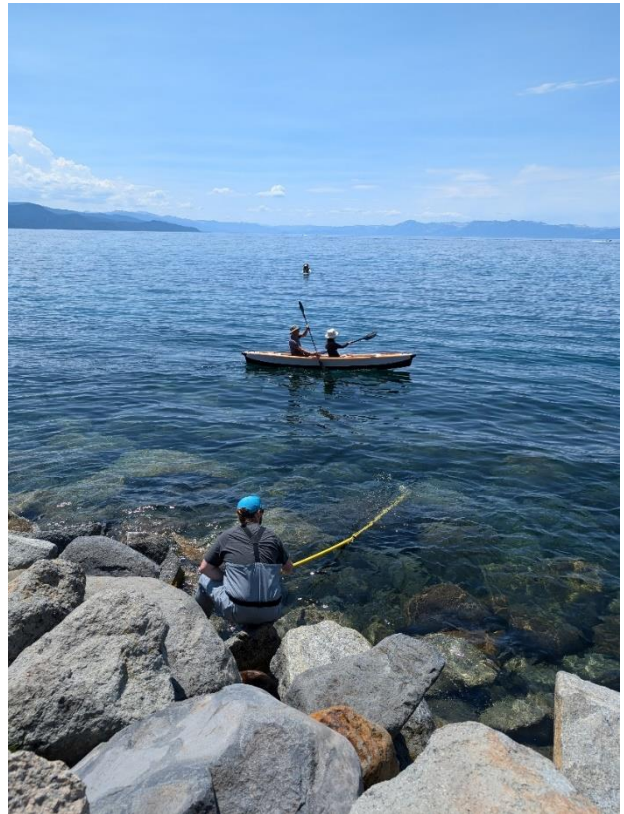
TWSA Staff have reviewed the litigation between the CA Sportfishing Protection Alliance & the Sierra Club (Fishing/Sierra) and Lahontan Regional Water Quality Control Board (LRWQCB)/ Tahoe Keys Property Owners Association (TKPOA). The Case was presided over by the El Dorado Superior Court (court), and the ruling was filed on April 25, 2024. The Fishing/Sierra successfully proved the TKPOA CMT project was in opposition to the Water Quality Control Plan for the Lahontan Region (Basin Plan) and California Environmental Quality Act (CEQA), as well as ongoing and not moot.

The court nullified the LRWQCB approval of the CMT, including all approval given, including the basin plan exemption and certification of the EIR. The vacating prohibits using the TKPOA CMT project data as a basis for analysis in determining future Tahoe Keys Lagoons AIP management strategies.

The TWSA has been a stakeholder in the TKPOA CMT project and has provided comments to the regulatory agencies in opposition to the use of herbicides in the water of Lake Tahoe. Including the submittal of the 2018 letter stating similar objections to those in this litigation, including but not limited to the full vetting of non-chemical methods first as required by the basin plan, the use of cost as a metric of feasibility in antidegradation analysis, and the foreseeable future use of herbicides once introduced.

Staff participated in the TRPA E-DNA training session for the 2024 lake-wide sampling event. **In response to the finding of New Zealand mud snails, the TRPA and stakeholders are analyzing tributaries for the presence of mud snails.** The project will be completed between July 1, 2024 and August 13, 2024. Tributaries will be analyzed in TWSA Member Districts lake-wide.

Staff collected water samples from Incline and Third Creek with NDEP staff on 7/24. Following the TRPA sampling procedure, 2 L of water was passed through a 0.45 µm sterile filter. Data was collected using ArcGIS-Survey123, and samples were frozen until relinquished to TRPA on 7/30. The TRPA subcontracted laboratory will provide results within ten days from receipt; the estimated result date is August 2024.



**MORE LAKE-WIDE PARTNERSHIPS**

LAKE TAHOE VISITOR AUTHORITY co-brands with DRINK TAHOE TAP<sup>®</sup> to purchase and distribute in 2024 (lodging partners, conferences) 35,000 custom high-quality aluminum refillable bottles in support of the City of SLT single-use water bottle ban. This is a \$250,000 marketing program; \$0 cost to TWSA. The program includes a FILL IT FORWARD watershed protection donation program (\$10,000) that participants use via app on refilling.

**RALEY'S / DRINK TAHOE TAP<sup>®</sup> COLLABORATION**

Reinvigorated in 2024. Take Care / Tahoe Fund has reinitiated Drink Tahoe Tap promotions with Raley's. New bottles are available in the regional stores.



### **HAWS WATER BOTTLE REFILL STATIONS**

An industry discount is being offered. Through the Tahoe Fund - HAWS Corporation will be offering a 30% discount to purchasers of water bottle fillers for use in the region. The parties are in development of a flyer and possible special graphics for the station. Details to follow.

### **WATER BOTTLE REFILL STATIONS GRANT PROGRAM**

To make refilling easier for residents and visitors alike, the Tahoe Fund and Tahoe Water Suppliers Association have launched the Drink Tahoe Tap Water Refill Network, as an interactive map feature on the Take Care Tahoe website. **The new WATER BOTTLE FILLING STATION web map is located at: <https://takecaretahoe.org/water-stations>.** It provides a quick reference to locations for visitors and residents to fill up their refillable water bottles with award-winning Tahoe Tap water.

Truckee locations are being integrated under a Drink Truckee Tap type campaign, calling out their unique high-quality water sources, currently being developed.

### **Mobile Water Stations**

Fifteen units are in circulation. Reservation requests are extremely robust for 2024. All water stations and containers in stock have been put in the field in July 2024. Staff has updated the build spec sheet and is providing build plans to other agencies.

### **ADMINISTRATION (GENERAL TWSA)**

- Staff facilitated the most recent TWSA board meeting and follow-up on action items.
- 2024-25 membership fees billing conducted.
- Staff is providing ancillary support to regional partners on their bottled water bans.
- Staff monitors monthly TRPA Shorezone Project Review Committee Project Review meetings.
- DRINK TAHOE TAP®; and I DRINK TAHOE TAP ® trademarks for stickers, clothing and refillable bottles; marks are valid to 2026.
- Staff is in discussion on Drink Tahoe Tap canned water license agreement with Alibi Ale Works and filed for trademark for canned packaged water. This is in consultation with BrandGeek, the TWSA trademark attorney.
- Staff attends the Nearshore Aquatic Weeds Working Group (NAAWG) quarterly.
- We continue to collaborate with the Tahoe Environmental Research Center (TERC) and Sierra Watershed Education Partnership (SWEP) on regional student education efforts.
- DRINK TAHOE TAP ®ads are running year-round: Tahoe.com print publication and website.
- Staff attends the Nearshore Aquatic Weeds Working Group (NAAWG) monthly.
- DRINK TAHOE TAP ®ads are running year-round: Tahoe.com print publication and website.

# TWSA BOARD MEETING PACKET FOR SEPT. 4, 2024

Deferred Revenue (Reserve) = \$152,676.40

**TWSA - DEFERRED REVENUE ACCOUNT 200-2401 - FY24 BALANCE (rur)**

ORG	OBJECT	ACCOUNT	DESCRIPTION	YEAR	PER	JOURNAL	EFF DATE	POST DATE	SRC	T	REF1	PO/REF2	REF3	REFERENCE	AMOUNT	P	COMMENTS
200	2401	200-000-00-000-00-00-2401-	Deferred Revenue	2024	0	5	07/01/2023	06/17/2024	SOV	1				SOV BAL	-167,400.19	Y	OPENING BALANCE
200	2401	200-000-00-000-00-00-2401-	Deferred Revenue	2024	1	1360	07/31/2023	05/21/2024	GEN	1				Invest AY	-202.61	Y	TWSA
200	2401	200-000-00-000-00-00-2401-	Deferred Revenue	2024	2	834	08/31/2023	05/21/2024	GEN	1				Invest AY	-203.53	Y	TWSA
200	2401	200-000-00-000-00-00-2401-	Deferred Revenue	2024	3	931	09/30/2023	05/21/2024	GEN	1				Invest AY	-164.24	Y	TWSA
200	2401	200-000-00-000-00-00-2401-	Deferred Revenue	2024	4	838	10/31/2023	07/17/2024	GEN	1				Adj Int	117.00	Y	TWSA
200	2401	200-000-00-000-00-00-2401-	Deferred Revenue	2024	4	829	10/31/2023	05/22/2024	GEN	1				Invest AY	-371.07	Y	TWSA
200	2401	200-000-00-000-00-00-2401-	Deferred Revenue	2024	5	744	11/30/2023	07/17/2024	GEN	1				Adj Int	63.63	Y	TWSA
200	2401	200-000-00-000-00-00-2401-	Deferred Revenue	2024	5	739	11/30/2023	05/22/2024	GEN	1				Invest AY	-623.89	Y	TWSA
200	2401	200-000-00-000-00-00-2401-	Deferred Revenue	2024	6	877	12/31/2023	07/17/2024	GEN	1				Adj Int	-76.55	Y	TWSA
200	2401	200-000-00-000-00-00-2401-	Deferred Revenue	2024	6	868	12/31/2023	05/22/2024	GEN	1				Invest AY	-952.61	Y	TWSA
200	2401	200-000-00-000-00-00-2401-	Deferred Revenue	2024	6	508	12/31/2023	01/16/2024	GEN	1	TWSA	TWSA Q2	TWSA Q2 DEFR	TWSA Q2	-86,429.35	Y	TWSA
200	2401	200-000-00-000-00-00-2401-	Deferred Revenue	2024	7	832	01/31/2024	07/17/2024	GEN	1				Adj Int	-30.19	Y	TWSA
200	2401	200-000-00-000-00-00-2401-	Deferred Revenue	2024	7	821	01/31/2024	05/22/2024	GEN	1				Invest AY	-814.00	Y	TWSA
200	2401	200-000-00-000-00-00-2401-	Deferred Revenue	2024	8	767	02/29/2024	07/17/2024	GEN	1				Adj Int	3.47	Y	TWSA
200	2401	200-000-00-000-00-00-2401-	Deferred Revenue	2024	8	741	02/29/2024	05/22/2024	GEN	1				Invest AY	-364.67	Y	TWSA
200	2401	200-000-00-000-00-00-2401-	Deferred Revenue	2024	9	746	03/31/2024	07/17/2024	GEN	1				Adj Int	38.96	Y	TWSA
200	2401	200-000-00-000-00-00-2401-	Deferred Revenue	2024	9	735	03/31/2024	05/28/2024	GEN	1				Invest AY	-455.51	Y	TWSA
200	2401	200-000-00-000-00-00-2401-	Deferred Revenue	2024	9	702	03/31/2024	04/21/2024	GEN	1	TWSA	TWSA Q3	TWSA Q3	TWSA Q3	38,773.45	Y	TWSA - Q3 FY24 - DEFERRED REV
200	2401	200-000-00-000-00-00-2401-	Deferred Revenue	2024	10	706	04/30/2024	07/17/2024	GEN	1				Adj Int	8.15	Y	TWSA
200	2401	200-000-00-000-00-00-2401-	Deferred Revenue	2024	10	650	04/30/2024	06/07/2024	GEN	1				Invest AY	-422.14	Y	TWSA
200	2401	200-000-00-000-00-00-2401-	Deferred Revenue	2024	11	925	05/31/2024	08/08/2024	GEN	1				Invest AY	-549.24	Y	TWSA
200	2401	200-000-00-000-00-00-2401-	Deferred Revenue	2024	12	1684	06/30/2024		GEN	1	TWSA	TWSA Q4	TWSA Q4	TWSA Q4	68,081.32	Y	TWSA - Q4 FY24 - DEFERRED REV
200	2401	200-000-00-000-00-00-2401-	Deferred Revenue	2024	12	1597	06/30/2024	06/08/2024	GEN	1				Invest AY	-623.21	Y	TWSA
<b>-152,676.40</b>																	

## Current Budget

### Incline Village General Improvement Dist



### YEAR-TO-DATE BUDGET REPORT

FOR 2024 12

	ORIGINAL APPROP	REVISED BUDGET	YTD ACTUAL	MTD ACTUAL	ENCUMBRANCES	AVAILABLE BUDGET	PCT USE/COL
<b>200 Utility Fund</b>							
<b>20002899 Utilities TWSA Administration</b>							
<b>28 TWSA</b>							
4417 Service & User Fees	-159,600	-159,600	-180,636.42	-68,081.32	.00	21,036.42	113.2%
5010 Salary	69,152	69,152	38,941.66	3,178.09	.00	30,210.34	56.3%
5012 Hourly	0	0	28,283.70	1,717.48	.00	-28,283.70	100.0%
5013 Other Earnings	0	0	1,350.84	190.83	.00	-1,350.84	100.0%
5014 Overtime	0	0	752.35	.00	.00	-752.35	100.0%
5020 Other Earnings	882	882	1,440.95	.00	.00	-558.95	163.4%
5050 Taxes	5,569	5,569	5,372.43	337.92	.00	196.57	96.5%
5100 Retirement Fringe Ben	12,111	12,111	12,117.43	754.18	.00	-6.43	100.1%
5200 Medical Fringe Ben	13,762	13,762	11,376.71	790.30	.00	2,384.98	82.7%
5250 Dental Fringe Ben	1,077	1,077	893.06	61.25	.00	184.18	82.9%
5300 Vision Fringe Ben	116	116	95.06	6.35	.00	20.68	82.1%
5400 Life Ins Fringe Ben	133	133	257.18	.00	.00	-124.18	193.4%
5500 Disability Fringe Ben	349	349	331.35	.00	.00	317.65	9.0%
5600 Unemployment Fringe Ben	1,097	1,097	888.49	66.70	.00	208.51	81.0%
5700 Work Comp Fringe Ben	1,748	1,748	5,196.71	328.71	.00	-3,448.71	297.3%
7010 Advertising - Paid	12,500	12,500	4,684.04	.00	.00	7,815.96	37.5%
7330 Contractual Services	0	0	1,250.00	.00	.00	-1,250.00	100.0%
7415 Operating	34,300	46,026	63,613.04	10,767.65	12,051.00	-29,638.04	164.4%
7470 Printing & Publishing	10,500	10,500	3,074.06	.86	.00	7,425.94	29.3%
7680 Training & Education	0	0	496.00	.00	.00	-496.00	100.0%
7685 Travel & Conferences	2,300	2,300	329.36	135.34	.00	1,970.64	14.3%
7840 Telephone	200	200	192.00	48.00	.00	8.00	96.0%
7980 Central Services Allocation C	12,583	16,759	.00	.00	.00	16,759.00	.0%
<b>TOTAL TWSA</b>	<b>18,779</b>	<b>34,681</b>	<b>.00</b>	<b>-49,697.66</b>	<b>12,051.00</b>	<b>22,629.67</b>	<b>34.7%</b>
<b>TOTAL Utilities TWSA Administrati</b>	<b>18,779</b>	<b>34,681</b>	<b>.00</b>	<b>-49,697.66</b>	<b>12,051.00</b>	<b>22,629.67</b>	<b>34.7%</b>
<b>TOTAL Utility Fund</b>	<b>18,779</b>	<b>34,681</b>	<b>.00</b>	<b>-49,697.66</b>	<b>12,051.00</b>	<b>22,629.67</b>	<b>34.7%</b>
<b>TOTAL REVENUES</b>	<b>-159,600</b>	<b>-159,600</b>	<b>-180,636.42</b>	<b>-68,081.32</b>	<b>.00</b>	<b>21,036.42</b>	
<b>TOTAL EXPENSES</b>	<b>178,379</b>	<b>194,281</b>	<b>180,636.42</b>	<b>18,383.66</b>	<b>12,051.00</b>	<b>1,593.25</b>	
<b>GRAND TOTAL</b>	<b>18,779</b>	<b>34,681</b>	<b>.00</b>	<b>-49,697.66</b>	<b>12,051.00</b>	<b>22,629.67</b>	<b>34.7%</b>

\*\* END OF REPORT - Generated by CYNTHIA BLAIR \*\*

TWSA\_Intake Monitoring MP\_20240821\_Final.pdf  
290 KB

CAUTION: This email originated from outside your organization. Exercise caution when opening attachments or clicking links, especially from unknown senders.  
Hello Madonna, Nakia and Suzi,

Please see the attached proposal for TERC's microplastic monitoring study of TWSA municipal water intakes. This is a final proposal that can be distributed to the board prior to the next meeting for their review. If you need a more detailed budget than the one provided, please let me know and I'll get that over to you first thing tomorrow.

I plan on joining the next meeting on September 4th for questions but I am happy to give the presentation I gave earlier this year with a couple of updates if you think that would be beneficial.

Thank you,  
Katie

## Scope of Work – University of California Davis Tahoe Environmental Research Center

### Microplastic Monitoring at Lake Tahoe's Municipal Water Intakes

#### PROJECT BACKGROUND

In 2018, Senate Bill 1422 was passed requiring the California State Water Resources Control Board to establish and adopt standard methods for testing microplastics in drinking water. As part of being compliant with this bill the Water Resources Control Board had to adopt a definition of microplastics, which states microplastics are "*particles which have at least three dimensions that are greater than 1 nanometer and less than 5,000 micrometers.*" Under this same bill, select public water systems in California are required to monitor and report on microplastics over a four-year period. When Senate Bill 1422 was passed, there was no EPA-approved method to identify the types of microplastics in municipal water sources. As a result, the State Water Board, in collaboration with the Southern California Coastal Water Research Project (SCCWRP), developed the world's first standardized method for monitoring microplastics in drinking water ([SWB-MP2- rev1](#)).

#### PURPOSE AND APPROACH

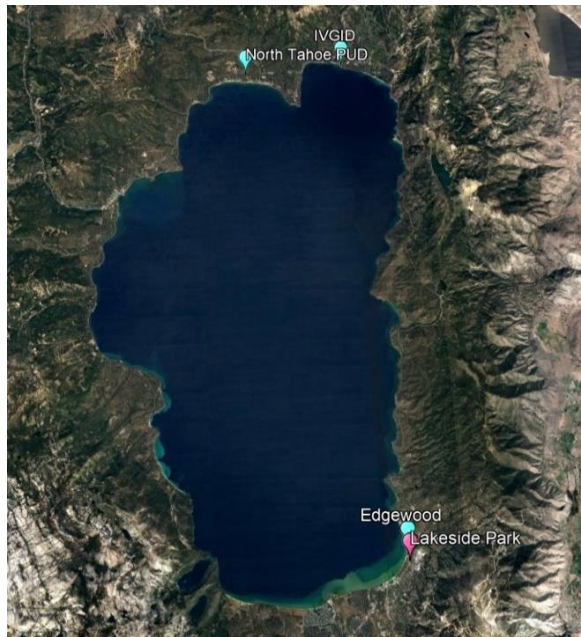
It is proposed that researchers based at UC Davis Tahoe Environmental Research Center (TERC) partner with the Tahoe Water Suppliers Association to monitor microplastics at four municipal water intakes in the Tahoe Basin using this SOP developed by the State Water Board. The proposed work will consist of field data collection at multiple locations around the Tahoe Basin, laboratory analytical work, and a quantitative and interpretive report completed by UC Davis. As a research institute, UC Davis may seek to use the data and analyses for publications in scientific journals in consultation with TWSA. TWSA is viewed as a cooperative partner on this project where they are helping guide the research and work directly in the field during the sampling.

#### GENERAL SAMPLING PLAN

Quarterly sampling will be undertaken at four water intake locations within the Lake Tahoe basin including the North Tahoe PUD, Incline Village GID, Edgewood Water Company and the Lakeside Park Association (see **Table 1** and locations on **Fig. 1**). All intakes with filtration exemption will have only treated water sampled (3 sites – Intake Location 1-3). The Lakeside Park Association, the only water intake being monitored which requires filtration, will have both raw and treated water tested.

**Table 1: Locations and characteristics of each proposed sampling intake.**

Intake Location	Filtration Status	Length (ft.)	Depth (ft.)	Bottom (ft.)
North Tahoe PUD	Exempt	1,800	28	4.75
Incline Village GID	Exempt	670	30	4
Edgewood Water Co.	Exempt	5,500	600	4
Lakeside Park Ass.	Filtration	2,300	37	4



**Figure 1:** Overview of sampling intake locations (**Table 1**) around the Lake Tahoe Basin.

**FIELD SAMPLING METHOD**

Water will be filtered on-site at each pumphouse in order to sample a larger volume of water than attainable in previous work. Approximately 1500 L will be filtered through a series of stacked sieves sized 500  $\mu\text{m}$ , 212  $\mu\text{m}$ , and 20  $\mu\text{m}$ . Filtering this large volume recommended by the California State Water Resources Control Board would be possible with the assistance of the TWSA staff helping monitor the setup. During filtering of the bulk 1500 L, smaller volume subsamples will be obtained after the water has passed through the 20  $\mu\text{m}$  sieve and filtered through a 1  $\mu\text{m}$  filter to capture the smaller size classes of microplastics. Once filtering is complete, particles captured in stacked sieves will be rinsed into pre-cleaned glass jars and transported back to the lab for isolation onto separate filters for analysis. Size fractions >500  $\mu\text{m}$ , 212 - 500  $\mu\text{m}$ , & 20 - 212  $\mu\text{m}$  will undergo vacuum filtration onto a 20  $\mu\text{m}$  filter, while the < 20  $\mu\text{m}$  fraction will be vacuum filtered onto a 1  $\mu\text{m}$  filter. Methods described in the California State Water Resources Control Board’s standardized protocols for monitoring microplastics in drinking water ([SWB- MP2-rev1](#)) will be used for sample collection in the field as well as laboratory analysis.



A replicate sample will be collected at one site throughout the project duration to determine if there is significant variability in microplastic concentrations observed in municipal waters over short temporal scale. It is proposed that this be at North Tahoe PUD (Intake Location 1) as this site was chosen for long term monitoring by the state.

Additionally, water samples will be collected at the start and end of the microplastic water filtering for particle size analysis at the TERC labs.

- 2 samples for enumeration of particles 0.5 – 20 µm (on the LiQuilaz).
- 2 samples for enumerations of particles 20 – 5000 µm (on the Beckman Coulter).

**LABORATORY METHODS: MICROSPECTROSCOPY VALIDATION**

Once isolated onto a 1 µm filter, a Raman or Fourier transform infrared (FT-IR) microscope will be used to identify polymers. For TERC’s previous work with microplastics, a Horiba XploRATM PLUS Raman confocal microscope operated using LabSpec6 software and equipped with a camera for image mapping, cooled charge-coupled device detector, two lasers (785 and 532nm wavelength), and a motorized stage was used to identify and characterize sample particles. Spectra produced from Raman analysis was identified by comparison matching to spectra from the Bio- Rad Knowitall Raman spectral library for plastic polymers. The proposed work will use either Raman or FT-IR analysis (depending on equipment availability), to complete the analysis.

Quality control measures will be strictly adhered to during sample preparation, including the use of a controlled environmental chamber for processing of samples, use of non-plastic tools/equipment, pre-filtering of all liquids used during processing, strict laboratory hygiene, use of natural fiber protective equipment/clothing, and use of procedural blanks.

Deliverables for each sample analyzed will include quantification of all particles positively identified as a polymer. Additionally, for each individual polymer particle, other characteristics such as dimensional size (e.g., length, width) and shape (e.g., fiber, fragment, foam, film) will be recorded. A report on polymer type (e.g., HDPE, polypropylene, etc.) will also be provided in a database for each particle analyzed. All samples analyzed will be archived in the event that future analysis is deemed necessary.

**PROPOSED WORK SCHEDULE**

Project commencement January 1, 2025 with final report due June 30, 2026

Task	2025				2026	
	Winter	Spring	Summer	Fall	Winter	Spring
Sample Collection/Lab Work	X	X	X	X		
Raman Analysis		X	X	X	X	
Data Analysis				X	X	X
Final Report Prep				X	X	X

**PROPOSED BUDGET**

<b>Activity/Element</b>	<b>Estimated Cost</b>
Personnel Cost	\$29,364
Travel	\$637
Field/Lab Supplies	\$8,000
Raman/FT-IR Validation	\$37,000
<b>Subtotal</b>	<b>\$75,001</b>
<b>Indirect Charges (42.5%)</b>	<b>\$31,875</b>
<b>TOTAL</b>	<b>\$106,876</b>

**BUDGET JUSTIFICATION**

Personnel Cost: A budget of \$29,364 is included for TERC staff time needed to complete the project. Two months of staff time is needed for project management, sample collection, isolation of microplastics in the lab, report writing and data analysis. One week of staff time is required for particle size analysis with an additional week required to fabricate sieve sampling devices. Project management is required for oversight of data analysis and final report preparation.

Travel Expenses: An estimated cost of \$637 for vehicle travel throughout this project is requested. Approximately 100 miles will be traveled during each quarterly sampling event from TERC’s main facility in Incline Village, to the pumphouses in which sampling will occur. Additionally, due to the delicate nature of these samples, hand delivery by TERC staff to the analysis facility is needed adding an additional 550 miles for multiple trips. Current mileage rates are \$0.67/mile. (400 miles of travel for sample collection + 550 miles for sample delivery) x \$0.67/mile is equal to \$637 for the duration of the project.

Field/Lab Supplies: An estimated cost of \$8,000 is necessary to purchase equipment unique to the project. Metal sieves and flow meters will need to be purchased for field work while microplastic laboratory standards and other miscellaneous supplies will be needed to isolate microplastics and perform recommended QA/QC procedures.

Raman/FT-IR Validation: An estimated cost of \$37,000 is requested for polymer validation using microspectroscopy. Either Raman or FT-IR analysis will be performed to characterize polymer type, size, shape, etc for particles isolated during the municipal water filtering process.

The University will have the flexibility within this budget to distribute funds as needed between budgetary categories without restriction or written approval from the sponsor.

####

**TWSA Staff Memo**

**TO:** TWSA Board  
**FROM:** Madonna Dunbar, TWSA Executive Director  
**SUBJECT:** DRINK TAHOE TAP® water in aluminum cans; request for discussion - license agreement by Alibi Ale Works (Kevin Drake)  
**DATE:** August 28, 2024

TWSA has been approached by Alibi Ale Works, requesting the discussion for permitted use (license agreement) of the DRINK TAHOE TAP® trademark on a line of canned water to be packaged at the Alibi Incline Village facility for regional distribution. This facility is serviced by Incline Village Public Works for water and sewer and is in compliance with all health requirements and service level needs. This project offers the ability to expand DRINK TAHOE TAP® into a much broader reach in the Tahoe market by offering locally packaged, custom branded, DRINK TAHOE TAP® water in recyclable aluminum cans. Labelling would include DRINK TAHOE TAP® prominently on the front possibly a QR code for more information about Lake Tahoe water, filling locations, etc.

Alibi Ale Works owner, Kevin Drake, has conducted extensive research and is prepared to meet the requirements of 1) Washoe County/NDEP/EPA packaged water quality production 2) all design, packaging, marketing and distribution 3) all up front production and launch costs which are estimated at \$60,000 – \$80,000.

Initial inquiries on product interest were conducted with regional ski areas, restaurants and casinos – all markets expressed interest in the product. Based on the unknown market potential and upfront costs, Mr. Drake is requesting a short test period before initiation of the license agreement. The proposed rate is 1% of gross sales. This is listed as Item 6 in the draft license agreement (next pages), and will require primary Board discussion, in addition to general discussion.

Mr. Drake can easily proceed with this project without using the Drink Tahoe Tap® trademark – but as a long time community and business leader - he would prefer to support Drink Tahoe Tap® and would like to see future royalties used towards water quality protection and restoration projects. TWSA has the opportunity to possibly fund water refilling station grants from this money.

In 2020, TWSA approved a no fee license agreement with Raley’s for their investment of the Kleen Kanteen refillable water bottles for retail sales. Raley’s then voluntarily provided a flat fee donation to the Tahoe Fund/ TWSA water refilling grant program.

TWSA staff has worked with Brand Geek LLC (Lara Pearson) on a draft license agreement for the TWSA Board review; which is attached below. A TWSA trademark application has been filed for the category of canned water (DRINK TAHOE TAP Cl. 32 - New U.S. App. 98674057).

## Draft license agreement for discussion purposes

### **DRINK TAHOE TAP® TRADEMARK LICENSE AGREEMENT**

This Agreement is effective as September \_\_\_\_\_, 2024 (Effective Date). This Agreement is made by and between the Incline Village General Improvement District (IVGID), on behalf of the program “Tahoe Water Suppliers Association” (TWSA), a Nevada non-profit corporation, with its principal place of business at 893 Southwood Blvd., Incline Village, NV 89451 (TWSA or Licensor), and Alibi Ale Works, a Nevada corporation with its principal address at 204 E. Enterprise St., Incline Village, NV 89451 (Alibi or Licensee) (singularly a Party and collectively the Parties).

#### **Section I** DRINK TAHOE TAP Marks & Licensed Marks

TWSA owns exclusive nationwide rights in the trademarks DRINK TAHOE TAP and I DRINK TAHOE TAP (collectively the “DRINK TAHOE TAP Marks”). TWSA commenced use of DRINK TAHOE TAP at least as early as April 15, 2007 and I DRINK TAHOE TAP! at least as early as April 15, 2013. These marks are protected by the following incontestable federal registrations:

#### **DRINK TAHOE TAP Marks**

Trademark	Registration No.	Goods / Services
I DRINK TAHOE TAP!	4989912	Apparel, namely, hats and shirts
I DRINK TAHOE TAP!	4980883	Stickers  Reusable glass, metal and plastic water bottles sold empty; sports bottles sold empty; water bottles sold empty
DRINK TAHOE TAP	4989910	Apparel, namely, hats and shirts
DRINK TAHOE TAP	4877697	Stickers  Reusable glass, metal and plastic water bottles sold empty; sports bottles sold empty; water bottles sold empty  Public advocacy and education promoting awareness of plastic waste, water use and other environmental issues

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This Agreement governs Alibi’s use of the DRINK TAHOE TAP trademarks depicted in Exhibit A (incorporated herein by reference) on or in connection with the following products and services:

**Licensed Marks**

<b>Trademark</b>	<b>Registration No.</b>	<b>Goods / Services</b>
DRINK TAHOE TAP	4877697	*** Public advocacy and education promoting awareness of plastic waste, water use and other environmental issues
DRINK TAHOE TAP	4989910	Apparel, namely, hats and shirts
DRINK TAHOE TAP	App # 98674057 Reg # TBD	Packaged water; canned water;

**Section II Agreement**

The Parties hereby acknowledge and agree that:

1. TWSA possesses the exclusive right to use and prevent others from using identical or similar Marks to its DRINK TAHOE TAP Marks for goods or services that are the same or related to those that TWSA offers under its Marks. In light of this, Alibi wishes to use the Licensed Marks for use on canned water and in connection with marketing and advocacy to promote Alibi’s environmentally consciousness packaged water and in a public advocacy marketing campaign in the Tahoe Basin and other markets.
2. The duration of this Agreement shall be for a period of an initial period of three years from September, \_\_\_\_, 2024 to September \_\_\_\_, 2027 (the “Initial Term”). Upon the conclusion of the Initial Term, this Agreement shall automatically renew for consecutive three-year terms (the “Renewal Terms”) until either of the Parties terminates this Agreement as provided for in Section 12 herein. The Initial Term and all Renewal Terms shall collectively be referred to as the “Term”.
3. TWSA grants Alibi an exclusive license to use its DRINK TAHOE TAP Mark on canned water and in connection with marketing and advocacy to promote Alibi’s environmentally consciousness packaged water during the Term.
4. U.S. trademark law requires that TWSA control the quality of all goods and services offered under its DRINK TAHOE TAP Marks. To facilitate TWSA’s exercise of quality control, Alibi expressly agrees to:
  - a. Ensure the water is treated in accordance with all local, state and federal laws;
  - b. Use the Licensed Marks only on cans of water that were captured, treated and canned at its facility at 204 E. Enterprise St., Incline Village, Nevada 89451;
  - c. Ensure the Licensed Marks are packaged in plastic-free packaging (including labeling, cans, and can-holders for multi-packs);

- d. Continually strive to use the best commercially reasonable environmental practices for canning of DRINK TAHOE TAP water;
- e. Provide for TWSA's approval: product samples of DRINK TAHOE TAP canned water; promotional merchandising; and marketing, advertising and/or promotional materials bearing the DRINK TAHOE TAP Marks at least five (5) business days prior to sending any such materials to print/production. TWSA shall have five (5) business days from its receipt of said items to notify Alibi in writing of any disapproval of any goods or marketing materials, including specific reasons for any such disapproval, which must be issued in good faith. *All samples or promotional materials not expressly disapproved by TWSA in writing within the 5-day period shall be deemed approved.* After approval, the commercially distributed DRINK TAHOE TAP merchandise and/or marketing materials offered by Alibi must be of substantially similar nature and quality to that which was approved (or not disapproved) by TWSA.

Failure by Alibi to comply with one or more provisions of this Section 4 shall constitute a material breach of this Agreement.

- 5. TWSA maintains all rights not expressly granted herein, including, without limitation, the right, during and after the Term, to grant additional licenses and / or to authorize sublicenses of TWSA's DRINK TAHOE TAP Marks to third parties *for purposes other than use on a packaged water product.*
- 6. Six months after beginning to sell DRINK TAHOE TAP canned water in commerce, Alibi shall begin to pay TWSA a nominal royalty of one percent (1%) of its gross sales each quarter from the sale of canned water bearing the DRINK TAHOE TAP Marks. Payments shall be made quarterly, within 30 days after the end of each quarter. TWSA agrees to invest any royalties received in restoration projects, including, without limitation water filling stations throughout the Tahoe Basin.
- 7. All intellectual property rights resulting from Alibi's use of the Licensed Marks belongs to TWSA. Alibi agrees never to challenge TWSA's rights in its DRINK TAHOE TAP Marks.
- 8. All marketing, advertising or promotional materials bearing the DRINK TAHOE TAP Marks shall state "DRINK TAHOE TAP is used with permission from TWSA" (Tahoe Water Suppliers Association may be written out or the TWSA logo may be used).
- 9. At the end of each quarter, or upon thirty (30) days written request, Alibi shall provide financial documents substantiating the gross sales of its DRINK TAHOE TAP canned water. The financial shall contain detail sufficient for TWSA to confirm the royalties due and owing under this Agreement. TWSA may make such a request once per quarter during each Renewal Term.
- 10. All Notices shall be delivered via e-mail to the addresses in the Parties' signature blocks below.
- 11. Alibi shall be in material breach of this Agreement if it: (a) fails to comply with the quality control provisions contained in Section II (4); or (b) fails to provide consideration provided for in Section II (6) at any time during the Term; or (c) fails to include the identification designations contained in Section II (8); or (d) fails to allow for inspection of its books or records as provided for in Section II (9).
- 12. This contract may be terminated by either Party for the following reasons:
  - a. in the event of a material breach by Alibi defined in Section II (11) above that remains uncured after ten (10) business days' written Notice; and/or

- b. immediately upon receipt of Notice, in the event that a Party ceases operations or is dissolved for any reason.

The Termination Date is determined by the events set forth above (Termination Date). If multiple Termination Dates may apply, the Termination Date shall be the earliest possible date.

13. The Parties agree that TWSA may suffer irreparable harm from continued use of the DRINK TAHOE TAP Marks by Alibi other than as provided in this Agreement. Accordingly, TWSA may--in addition to all other rights and remedies available to it under the law--seek injunctive or other relief, without the securing or posting of any bond in connection with such remedy, in order to enforce its trademark rights if Alibi failed to comply with the terms of this Agreement.
14. Within sixty (60) days of the Termination Date of this Agreement, Alibi shall: immediately cease production of any new products bearing the DRINK TAHOE TAP Marks. Furthermore, Alibi shall have six (6) months from the Termination Date to sell all products bearing the DRINK TAHOE TAP Marks. Within thirty (30) days of the expiration of the six (6) month period, or following the sale of all products bearing the DRINK TAHOE TAP Marks, whichever date is earlier, Alibi shall: (a) pay TWSA all undisputed, unpaid royalties; and (b) cease all further use of the DRINK TAHOE TAP Marks. TWSA may request in writing that Alibi provide written certification that conditions (a) and (b) have been met; in such case, Alibi or its counsel shall provide written certification within 30 days of its receipt of the written request from TWSA.
15. For TWSA's Trademarks, TWSA shall, at its own cost and expense, indemnify, defend and hold harmless Alibi, its affiliates, and their respective directors, officers, employees, and agents, from and against any and all losses, damages, liabilities, penalties, claims, demands, suits or actions, and related costs and expenses of any kind, including, without limitation, expenses of investigation, attorney's fees, judgments and settlements, and the costs to obtain the rights for Alibi's ongoing use of the allegedly infringing intellectual property, as applicable, based on a claim by any third party alleging that Alibi's use of the Licensed Marks infringes the trademark, copyright of a third party. Alibi shall give TWSA prompt Notice of all such claims or actions instituted against it. Alibi will provide reasonable cooperation as requested by TWSA and TWSA shall not consent to the entry of any judgment or enter into any settlement with respect to any infringement claim without Alibi's written consent (not to be unreasonably withheld) unless the judgment or proposed settlement involves only the payment of money damages to be paid solely by TWSA or its insurance carrier and does not impose any liability, penalty, injunction or other equitable remedy upon Alibi, its affiliates, and/or their respective directors, officers, employees, and/or agents.

If Alibi can demonstrate that a reasonable person would find that TWSA is not adequately defending an infringement claim involving Alibi's exclusive rights, Alibi may choose to join as a party, any proceedings or actions related to an infringement claim over the DRINK TAHOE TAP mark on canned or packaged water, and to have its attorneys' fees and costs in connection therewith paid by TWSA. If the Licensed Marks are likely to become (in TWSA's sole discretion), or become, the subject of any such action or claim, TWSA may choose, at its sole expense, to pursue one or more of the following: (a) procure the right for Alibi to continue using DRINK TAHOE TAP on canned water; (b) replace or modify its DRINK TAHOE TAP Mark so that it becomes non-infringing to enable its continued performance of this Agreement; or (c) grant a refund for the half the payments (including royalties) made to TWSA by Alibi for use of the DRINK TAHOE TAP Mark.

For Alibi's trademarks ("Alibi's Marks"), Alibi shall, at its own cost and expense, indemnify, defend and hold harmless TWSA, its affiliates, and their respective directors, officers, employees, and agents, from and against any and all losses, damages, liabilities, penalties, claims, demands, suits or actions, and related costs and expenses of any kind, including, without limitation, expenses of investigation, attorney's fees, judgments and settlements, and the costs to obtain the rights for TWSA's ongoing use of the allegedly

infringing intellectual property, as applicable, based on a claim by any third party alleging that TWSA's use of any of Alibi's Mark infringes the trademark or copyright of a third party.

TWSA shall give Alibi prompt Notice of all such claims or actions instituted against it.

TWSA will provide reasonable cooperation as requested by Alibi and Alibi shall not consent to the entry of any judgment or enter into any settlement with respect to any infringement claim without TWSA's written consent (not to be unreasonably withheld) unless the judgment or proposed settlement involves only the payment of money damages to be paid solely by Alibi or its insurance carrier and does not impose any liability, penalty, injunction or other equitable remedy upon TWSA, its affiliates, and/or their respective directors, officers, employees, and/or agents.

If Alibi or its attorney is not adequately defending any infringement claim, TWSA has the right, but not the obligation, to join and participate in, as a party if TWSA so elects, in elect any proceedings or actions related to such infringement claim and to have TWSA's attorneys' fees and costs in connection therewith paid by. In addition, if a Alibi Mark becomes (or in Alibi reasonable opinion is likely to become) the subject of any such action or claim, Alibi may, at its option and sole expense, pursue one or more of the following options: (a) procure for TWSA the right to continue using such Alibi Mark; or (b) replace or modify such Alibi Mark so that it becomes non-infringing while providing equivalent performance.

16. Any draft marketing, advertising, and/or promotional materials, non-public information about any goods, and any documents provided by Alibi under Section II (4)(e) is Alibi's confidential information. TWSA will take all action reasonably necessary to protect the confidentiality of Alibi's confidential information in its possession, including, without limitation, implementing and enforcing commercially reasonable operating procedures to minimize the possibility of unauthorized use or copying of the confidential information. TWSA will enforce compliance with the non-disclosure obligations of this Agreement by its employees, or former employees, authorized sub-contractors and agents who receive confidential information and will immediately give notice to Alibi upon discovering any unauthorized use or disclosure of confidential information. TWSA agrees to assist Alibi in remedying any unauthorized use or disclosure of confidential information.
17. This is the entire agreement between the Parties. It was negotiated and prepared jointly by the Parties and their counsel to govern the use of the DRINK TAHOE TAP Marks by Alibi. This Agreement supersedes any and all prior agreements, whether written or oral, made before, during or after negotiation of this Agreement. This Agreement may be amended only in writing signed by both Parties. This agreement shall be construed fairly against each party and not against either of the Parties.
18. Each Party represents and warrants that it is fully able to enter into this Agreement and it has the authority and rights necessary to enter into this Agreement and perform the obligations required herein.
19. This Agreement shall be binding on inure to the benefit of the Parties hereto, and their heirs, administrators, successors, and assigns.
20. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original, but all of which shall constitute one and the same instrument. Any signature transmitted by facsimile, e-mail, or other electronic means shall be deemed to be an original signature.
21. In the event that any one or more of the provisions of this Agreement shall be deemed to be invalid, illegal or unenforceable in any respect, the remaining provisions shall be held valid and enforceable to the maximum extent permissible so as to effect the intent of the Parties.



22. A waiver of any obligation or breach of this Agreement by any Party shall be unitary and not constitute a continuing waiver or a waiver of any subsequent breach of the same or any other provision of this Agreement, and the failure of a Party to assert any of its rights hereunder shall not constitute a waiver of any of its rights.

[SIGNATURE PAGE TO FOLLOW]

TWSA BOARD MEETING PACKET FOR SEPT. 4, 2024

<p>Dated this ___ day of September, 2024</p> <p>Tahoe Water Suppliers Association/IVGID</p> <p>By: _____</p> <p>Madonna Dunbar, Executive Director 1220 Sweetwater Rd. Incline Village, NV 89451 Madonna_dunbar@ivgid.org</p>	<p>Dated this _____ day of September, 2024</p> <p>Alibi Ale Works</p> <p>By: _____</p> <p>Kevin Drake, CEO 204 E Enterprise St. Incline Village, NV 89451 kevin@alibi.beer</p>
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Exhibit A

**United States of America**  
United States Patent and Trademark Office

# Drink Tahoe Tap

**Reg. No. 4,877,697**

**Registered Dec. 29, 2015**

**Int. Cls.: 16, 21 and 35**

TAHOE WATER SUPPLIERS ASSOCIATION / IVGID (NEVADA NON-PROFIT CORPORATION)  
1220 SWEETWATER ROAD  
INCLINE VILLAGE, NV 89451

FOR: STICKERS, IN CLASS 16 (U.S. CLS. 2, 5, 22, 23, 29, 37, 38 AND 50).

**TRADEMARK**

FIRST USE 4-15-2007; IN COMMERCE 4-15-2007.

**SERVICE MARK**

FOR: REUSABLE GLASS, METAL AND PLASTIC WATER BOTTLES SOLD EMPTY; SPORT BOTTLES SOLD EMPTY; WATER BOTTLES SOLD EMPTY, IN CLASS 21 (U.S. CLS. 2, 13, 23, 29, 30, 33, 40 AND 50).

**PRINCIPAL REGISTER**

FIRST USE 4-15-2007; IN COMMERCE 4-15-2007.

FOR: PUBLIC ADVOCACY AND EDUCATION PROMOTING AWARENESS OF PLASTIC WASTE, WATER USE AND OTHER ENVIRONMENTAL ISSUES, IN CLASS 35 (U.S. CLS 100, 101 AND 102).

FIRST USE 4-15-2007; IN COMMERCE 4-15-2007.

THE MARK CONSISTS OF STANDARD CHARACTERS WITHOUT CLAIM TO ANY PARTICULAR FONT, STYLE, SIZE, OR COLOR.

NO CLAIM IS MADE TO THE EXCLUSIVE RIGHT TO USE "TAHOE", APART FROM THE MARK AS SHOWN.

SER. NO. 86-643,015, FILED 5-27-2015.

LOURDES AYALA, EXAMINING ATTORNEY



*Michelle K. Lee*

Director of the United States  
Patent and Trademark Office

**United States of America**  
United States Patent and Trademark Office

# Drink Tahoe Tap

**Reg. No. 4,989,910**

**Registered June 28, 2016**

**Int. Cl.: 25**

**TRADEMARK**

**PRINCIPAL REGISTER**

TAHOE WATER SUPPLIERS ASSOCIATION / IVIGD (NEVADA NON-PROFIT CORPORATION)  
1220 SWEETWATER ROAD  
INCLINE VILLAGE, NV 89451

FOR: APPAREL, NAMELY, HATS AND SHIRTS, IN CLASS 25 (U.S. CLS. 22 AND 39).

FIRST USE 2-3-2016; IN COMMERCE 2-3-2016.

THE MARK CONSISTS OF STANDARD CHARACTERS WITHOUT CLAIM TO ANY PARTICULAR FONT, STYLE, SIZE, OR COLOR.

OWNER OF U.S. REG. NO. 4,877,697.

NO CLAIM IS MADE TO THE EXCLUSIVE RIGHT TO USE "TAHOE", APART FROM THE MARK AS SHOWN.

SN 86-597,236, FILED 4-14-2015.

LOURDES AYALA, EXAMINING ATTORNEY



*Michelle K. Lee*

Director of the United States  
Patent and Trademark Office

**TWSA BOARD MEETING PACKET FOR SEPT. 4, 2024**

TWSA Staff Memo

TO: TWSA Board

FROM: Kate Nelson, IVGID Public Works Director

SUBJECTS: 1) TWSA transition process for hiring TWSA Executive Director  
2) Future budget considerations / internal services costs next fiscal year

DATE: Sept. 4, 2024

TWSA Executive Director, Madonna Dunbar, is vacating her position with IVGID as Resource Conservationist, effective Nov. 1, 2024.

- 1) IVGID Public Works staff is planning to address potential vacancy in the near term with an Interim Executive Director. We plan to begin recruiting for the Executive Director after the new year. IVGID would like to have a TWSA member representative be assigned to the hiring committee when formed; representative to be designated by TWSA Board.
- 2) IVGID Internal Services costs have increased over the past 2 years. TWSA Board should be aware that FY 25-26 budget will be developed to more closely capture these increased costs. IVGID Staff will be working internally to develop budgets beginning in November 2024.

Public Works - Tahoe  
Water Supplier's Assoc.

Sources and Uses

TWSA	2022-23 Budget	2022-23 Actual	2023-24 Budget	2023-24 Est. Actual	2024-25 Budget (Proposed by IVGID Acct)	2024-25 Budget (Update)	2023-24 BUD +8%	2023-24 EA +8%	2024-25 Budget
<b>Revenues</b>									
Sales & Fines	160,000	178,720	159,600	159,600	186,188	186,188	172,400	172,400	186,188
<b>Total Revenues &amp; Other Sources</b>	<b>160,000</b>	<b>178,720</b>	<b>159,600</b>	<b>159,600</b>	<b>186,188</b>	<b>186,188</b>	<b>172,400</b>	<b>172,400</b>	<b>186,188</b>
<b>Expenditures &amp; Uses</b>									
Wages and Benefits	62,336	98,996	105,996	105,573	117,140	117,140	114,500	114,000	117,140
Services & Supplies	69,600	58,416	59,600	41,843	51,800	51,800	64,400	45,200	51,800
Utilities	200	192	200	200	200	200	200	200	200
Central Service Cost			16,759	16,759	28,039	28,039	18,100	18,100	29,433
<b>Total Expenditures &amp; Uses</b>	<b>132,136</b>	<b>157,604</b>	<b>182,555</b>	<b>164,375</b>	<b>197,179</b>	<b>197,179</b>	<b>197,200</b>	<b>177,500</b>	<b>198,573</b>
<b>Net Sources or Uses</b>	<b>27,864</b>	<b>21,116</b>	<b>(22,955)</b>	<b>(4,775)</b>	<b>(10,991)</b>	<b>(10,991)</b>	<b>(24,800)</b>	<b>(5,100)</b>	<b>(12,385)</b>

Note: \$170,100 presented/approved/billed to TWSA members for 2024-25.

**Reference:**

**Tahoe Water Suppliers Association (TWSA) Agreement**

This Tahoe Water Suppliers Agreement is entered into this December 8, 2016, by and between Douglas County (“Zephyr Cove, Skyland, Cave Rock”), Incline Village General Improvement District (“IVGID”), Glenbrook Water Cooperative (“Glenbrook”), Round Hill General Improvement District (“Round Hill”), Kingsbury General Improvement District (“Kingsbury”), Edgewood Water Company (“Edgewood”), Lakeside Park Association, North Tahoe Public Utility District (“NTPUD”), South Tahoe Public Utility District (“STPUD”), Tahoe City Public Utility District (“TCPUD”) (collectively referred to herein as the “Parties” or “Water Supplier”).

**Recitals**

1. Each of the Parties owns and operates a public water system within the Lake Tahoe Basin (Basin).
2. In order to assure a safe water supply and promote responsible use of a natural resource water suppliers must conduct watershed sanitary surveys on a regular basis, participate in an active watershed protection program, and comply with additional requirements and regulations.
3. The Parties desire to create the TahoeWater Suppliers Association whose purpose is to develop, implement and maintain an effective watershed control program in order to satisfy recommendations in watershed sanitary surveys, advocate for the protection of Lake Tahoe as a viable source of drinking water and to satisfy additional state and federal requirements.

NOW, THEREFORE, based upon the foregoing, the Parties hereto agree as follows:

**ARTICLE I**

**INTENT**

With the execution of this agreement, it is the intent of the Parties to provide for the establishment of the Tahoe Water Suppliers Association (“Association”) to assist the Parties in: a) Meeting federal and state requirements for filtration avoidance and other requirements; promulgated by the Surface Water Treatment Rule and its amendments. b) Maintaining an active watershed management control program, and carrying out the goals of the Association. c) Promoting and protecting Lake Tahoe and other sources in the Basin as viable sources of drinking water d) Defining the roles and responsibilities of the Executive Director and securing funding for the Executive Director to coordinate and execute the activities of the Association.

**ARTICLE II**

**CREATION OF THE TAHOE WATER SUPPLIERS ASSOCIATION**

Section 2.1. Establishment of Association. The Parties to this Agreement agree to establish the Tahoe Water Suppliers Association with the authority and responsibilities set forth in this Agreement. Section 2.2. Executive Director. IVGID shall designate one of its staff persons to act as the Executive Director for the Association and IVGID may assign additional staff to perform the activities of the Association. Section 2.3. Association Board. The Association shall be managed by the Board of Directors (“Board”). The Board shall consist of one representative appointed by each dues paying Water Supplier. The position of Board Chair and Vice Chair will be elected annually by the Board. The Board shall also have the position of Vice Chair to act as Chair in their absence. The Chair shall conduct the Association Board meetings and participate with the Executive Director in preparation of the agenda. The Chair shall act as the spokesperson for the Association Board on matters of concern to the Association or assign this to the Vice Chair or Executive Director, or other members of the Board.

**Water Suppliers List**

- Douglas County – Zephyr Cove
- Douglas County – Skyland
- Douglas County – Cave Rock
- Edgewood Water Company
- Glenbrook Water Cooperative
- Incline Village General Improvement District

Kingsbury General Improvement District  
Lakeside Park Association  
North Tahoe Public Utility District  
Round Hill General Improvement District  
South Tahoe Public Utility District  
Tahoe City Public Utility District

Section 2.4. Duties. The Board shall be responsible for implementing the terms and conditions of this Agreement including, without limitation, the following: 2.4.1 Setting of periodic meetings to insure dissemination of information and discussion of issues. 2.4.2 Providing for cooperation among the Parties and with local, state and federal agencies and private entities with respect to watershed evaluation and watershed management. 2.4.3 Providing for the prevention of watershed degradation through advertising and education, conducting studies, retaining consultants as needed. 2.4.4 Developing a budgeting and funding process that ensures that the Association's cooperative efforts will be adequately staffed and funded.

Section 2.5. Appointment Alternatives. Each of the Parties to this Agreement shall name an alternate Board member representative to act in the event a Party's appointed Board representative is not in attendance at the meeting. In the event that the Party's appointed Board member is not in attendance at the meeting, the alternate Board member shall be entitled to one (1) vote in conducting the business of the Board. A Board member may also assign its voting privileges by standard proxy provisions.

Section 2.6 Meetings. 2.6.1. Regular Meetings. Regular meetings of the Board shall be held at least quarterly or at such other time as decided by the Board majority and shall be held at such place as the Chair or members of the Board may determine. Members can attend via conference call or other electronic communication methods. 2.6.2. Special Meetings. Special meetings of the Board may be called by or at the request of the Chairman or any two (2) members of the Board, and shall be held at such place as the Chairman or members of the Board may determine. 2.6.3 Emergency Meeting. An emergency meeting can be convened at any time with 100% concurrence of the Board members and shall be held at such place as the Chairman or members of the Board may determine. Section 2.7 Notice of Meetings. Meeting notices will be posted according to Nevada Revised Statutes 241 and the California Brown Act, whichever is more restrictive. The Board shall be given notice of meetings and meeting agenda packets, delivered personally, sent by email, or sent by mail to each Board member at the Board member's address as provided in the Association records. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail in a sealed envelope, so addressed, with postage thereon prepaid.

Section 2.8. Quorum. A majority of the members of the Board shall constitute a quorum for the transaction of business at any meeting of the Board. Each water supplier as listed in Section 2.3 is entitled to one vote. A single person may represent more than one water supplier and therefore have more than one vote.

Section 2.9. Voting Requirements. An affirmative vote of a majority members of the Board at any meeting shall be required to take action. Votes can be either voice votes or other methods of tabulating votes by electronic communication means.

Section 2.10. Books and Records. The Board shall keep correct and complete books and records of account, minutes of its proceedings and record giving the names and addresses of the members entitled to vote. All books and records of the Board shall be kept at a location determined by the Board and may be inspected by any Board member, or that member's agent or attorney, for any proper purpose at any reasonable time. Records shall be retained in accordance with record retention policies.

### **ARTICLE III**

#### **CHARGES**

Section 3.1. Establishment. Consistent with this Agreement, the Board shall establish charges to be paid by each Party

to finance all necessary activities. Necessary activities are those identified by the Board in an approved annual budget.

Section 3.2. Apportionment of Charges. Parties shall pay the percentages of the annual budget. Each party's costs include shared program costs and dependent program costs, other than STPUD which pays 10% of total TWSA costs. Shared program costs are defined as 25% of TWSA staff costs and 75% of TWSA operating costs and account for activities that are necessary for all members. The shared costs effort does not vary based on size of the member's service area. Dependent program costs are defined as 75% of TWSA staff and 25% of TWSA operating. The dependent costs account for activities such as mapping and monitoring that inherently are more time and resource demanding for members with larger service areas and greater number of customers/connections than members with smaller services areas and customers/connections. Shared costs are appropriated equally to all Parties while, dependent costs are proportioned according to the size of the service area, customers, and connections.

Section 3.3. Use of Funds. Funds received from such charges shall be used for those purposes for which the Association has established.

Section 3.4. Budget and Charges. The Executive Director shall prepare an annual budget that will include a budget for all anticipated shared program and dependent program costs by the third quarterly meeting proceeding the budget year which begins on July 1<sup>st</sup>. The Board shall review and direct charges to the budget proposal and shall approve an annual budget at the March Meeting. The charges paid by each Party for the succeeding budget year shall be based on the approved budget.

Section 3.5. Account. The Executive Director will establish an account called the Tahoe Water Suppliers Association Account ("Account") to be used exclusively for purposes of the Association. Annual budget will determine the amount budgeted in the Account. The budget will be prorated for the Parties according to Section 3.2 and billed out on or about July 1 annually and become due 45 days later. Any monies not utilized during the budget year will be allocated to the next budget cycle unless allocated to the TWSA reserve fund. IVGID manages the reserve fund.

Section 3.6. Account Disbursements. All disbursements from the Account will be used for expenditures authorized by the Board in accordance with this Agreement. Except as otherwise provided in this section, the Board shall approve all TWSA programs and related payments from the Account in the annual Association budget process. The TWSA Director is authorized to approve all transactions as already defined and specified in the approved Association budget. Payments of \$500 or less may be made by the Executive Director for actions not previously approved or detailed in the Association budget. All disbursements from the Account of greater than \$500 and less than \$1,000 shall require the approval of the Chairman for actions not previously approved or detailed in the Association budget. All disbursements from the Account \$1,000 or greater shall require approval of the majority of the Board for actions not previously approved or detailed in the Association budget.

#### **ARTICLE IV**

##### **MEMBERSHIP PROCESS**

Section 4.1. Admission of New Association Members. Public Water Systems desiring to join the Association shall submit a written request for consideration. The Board shall consider and discuss the request at a regularly scheduled Board meeting and conduct a vote on whether to admit the new member at a following regularly scheduled Board meetings. Public Water Systems requesting consideration of admission shall not have interests in conflict with TWSA's Mission Statement. A prospective member must receive approval by a minimum of at least 75% of the whole Board at the regularly scheduled meeting. Membership dues will be prorated for the current budget year based on the date of becoming a member and will become payable within 45 days of issuing the membership bill.

#### **ARTICLE V**

##### **MISCELLANEOUS**

Section 5.1. No Joint Venture / No Joint Power Authority. The Parties specifically acknowledge that no Party is acting as the agent of any other Party in any respect, and that each Party is an independent entity with respect to the terms, covenants and conditions contained in this Agreement. None of the terms or provisions of this Agreement shall be deemed to create a partnership between or among the Parties in their businesses, operations, affairs, or otherwise; nor



shall it cause them to be considered joint ventures, joint power authority or members of any joint enterprise.

Section 5.2. No Third-Party Beneficiary. This Agreement is not intended, nor shall it be construed, to create any third-party beneficiary rights in any person or entity that is not a Party to this Agreement.

Section 5.3 Entire Agreement. This written Agreement constitutes the entire Agreement between the Parties with respect to the subject matter of the Agreement and supersedes all negotiations, prior agreements, and understandings between the Parties with respect to the subject matter. Section 5.4. Further Actions. Each Party agrees to take all reasonable actions, to do all reasonable things, and to execute any and all documents and writings that may reasonably be necessary or proper to achieve their purposes and objectives of this Agreement. Section 5.5. Good Faith. The Parties recognize and adopt the covenant of good faith and fair dealing in carrying out this Agreement. Section 5.6.

Modification. The Parties may not modify the terms of this Agreement except by approval of 75% of all Association members. Section 5.7. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Nevada. Section 5.8. Construction. The Parties acknowledge that each had the benefit of legal counsel, has had an opportunity to review this Agreement with its legal counsel, and that this Agreement shall be construed as if jointly drafted by all Parties. Section 5.9. Counterparts. This Agreement may be executed by the Parties in counterparts, each of which shall be deemed an original instrument, and all of which shall constitute one and the same instrument.

Section 5.10. Notices. Any and all notices or other communications required or permitted by this Agreement or by law to be served on or given to any Party by any other Party, shall be in writing, and shall be deemed duly served and given when personally delivered to the Party to whom it is directed, or in lieu of such personal service, then deposited in the United States Mail, first class postage prepaid, addressed to the Party at its last known address.

Section 5.11. Severability. In the event that any provision of this Agreement shall be held to be invalid or otherwise unenforceable, the Parties agree that the remaining provisions shall be valid and binding on the Parties hereto.

Section 5.12. Clarifying Statement. No member is delegating any of its authority or granting any right to act on its behalf by participation, except as to the specific tasks and revenues referenced. This Agreement provides no authority to bind its members. Section 5.13. Termination. Any Party to this Agreement may withdraw from the Association for the upcoming year by giving notice of withdrawal to the other Parties at any time. No refund will be made of sums paid under this Agreement.

####

**2024 Litigation of the Regulatory Approval of the Tahoe Keys Property Owners Association Control Methods Test (CMT). TWSA Staff Executive Summary by Sarah Vidra – May 2024**

TWSA Staff have reviewed the litigation between the CA Sportfishing Protection Alliance & the Sierra Club (Fishing/Sierra) and Lahontan Regional Water Quality Control Board (LRWQCB)/ Tahoe Keys Property Owners Association (TKPOA). The Case was presided over by the El Dorado Superior Court (court), and the ruling was filed on April 25, 2024. The Fishing/Sierra successfully proved the TKPOA CMT project was in opposition to the Basin Plan and CEQA, as well as ongoing and not moot.

The LRWQCB requested dismissal of the Case No.: 22CV0841 due to mootness, as the aquatic pesticides have already been discharged to the water of Lake Tahoe. Mootness doctrine dismissal was not successful for three reasons: (1) the CMT project is ongoing, (2) meaningful relief can be given by negating the Basin Plan Exemption for pesticide use and certification of the EIR to prohibit the CMT data as a basis for analysis in determining future strategies to manage aquatic invasive plant (AIP) problem in the Tahoe Keys lagoons, and (3) the mootness doctrine has an exemption for public interest.

The court found that the LRWQCB abused its discretion in granting the exemption to the prohibition of the discharge of pesticides in the Water Quality Control Plan for the Lahontan Region (basin plan). The basin plan holds exemption criteria for the discharge of pesticides into Lake Tahoe's water when all seven criteria have been met. The court found that two of the seven criteria were not met as they require non-chemical methods must be evaluated and deemed infeasible. The court did an independent review and found that bottom barriers, laminar flow aeration (LFA), and UV-C light are not infeasible if combined with cooperation and innovation of technologies. Also, the court found that the LRWQCB exclusions for feasibility by cost and scope are insufficient for deeming the non-chemical method unfeasible.

The court found that the LRWQCB failed to proceed in a manner required by law by certifying an Environmental Impact Report (EIR) without an analysis of the reasonably foreseeable consequences of repeated pesticide use. The court did so by reviewing case law, studies of AIP projects in Minnesota and Massachusetts, and communications from the LRWQCB to the TKPOA, as well as The Washoe Tribe of NV and CA. The court found that the CMT project's feasible and foreseeable consequences will lead to future aquatic pesticide applications. The TKPOA cannot break the complete chemical treatment of the lagoons into smaller projects to receive regulatory approval.

The court nullified the LRWQCB approval of the CMT, including all approval given, including the basin plan exemption and certification of the EIR. The vacating prohibits using the TKPOA CMT project data as a basis for analysis in determining future Tahoe Keys Lagoons AIP management strategies.

The TWSA has been a stakeholder in the TKPOA CMT project and has provided comments to the regulatory agencies in opposition to the use of herbicides in the water of Lake Tahoe. Including the submittal of the 2018 letter stating similar objections to those in this litigation, including but not limited to the full vetting of non-chemical methods first as required by the basin plan, the use of cost as a metric of feasibility in antidegradation analysis, and the foreseeable future use of herbicides once introduced.

TKPOA

El Dorado County Superior Ct

Case No: 22CV0841

Petitioners: CA Sportfishing Protection Alliance & Sierra Club (Fishing/Sierra)

Respondent: Lahontan Regional Water Quality Control Board (LRWQCB)

Real Party: Tahoe Keys Property Owners Association (TKPOA)

The matter before the court, a petition requesting the court

1. Issue a peremptory writ of mandate commanding LRQCB to vacate and set aside Tahoe Keys Lagoons Aquatic Week Control Methods Test (CMT) and any and all approvals rendered pursuant to and/or in furtherance of the implementation of the CMT project.
2. Preliminary and permanently enjoin the LRWQCB and TKPOA in interest from any and all activities undertaken pursuant to the CMT.
3. Award Fishing/Sierra cost of action and reasonable attorneys' fees
4. Grant any other relief the court deems just and proper

Issues for resolution before El Dorado County Superior Court (The Court)

- A. Whether the petition should be dismissed under the mootness doctrine,
- B. Whether approval of the Tahoe Keys Lagoons Aquatic Week Control Methods Test (CMT) violates the Water Quality Control Plan for the Lahontan Region (Basin Plan) and
- C. Whether approval of the CMT violates the CEQA.

Application of the Mootness Doctrine

Though herbicides (Endothall and Tricopyr) have been used in the waters of Lake Tahoe, the court finds that mootness doctrine exemption for significant public interest applies, and before exemption criteria are needed, the Case is not moot because meaningful relief can be given. The meaningful relief is setting aside the LRWQCB actions and prohibiting the use of CMT data as a basis for analyzing future strategies to manage AIP in the Tahoe Keys Lagoons.

Process Followed by the Court

Having found that the CMT project is ongoing, the court reviewed the CMT project for meeting the seven criteria for Basin Plan exemption of the pesticide prohibition under Code of Civil Procedures 1094.5 and exercised its independent judgment in finding that the LRWQCB abused its discretion by finding that their approval methodologies for the Basin Plan exemption criteria are not supported by the weight of the evidence. By approving the CMT basin plan exemption, the LRWQCB decision "Flies in the Face of the clear language and purpose of the interpreted provision" and does not meet the requirement of "the interpretation has been consistently maintained," as this is the first application for basin plan exemption. The court also proceeded over the LRWQCB certification of the EIR required by CEQA. The Fishing/Sierra presented an unduly narrow project description, and there was no analysis of the reasonably foreseeable consequences of repeated pesticide use. The court reviewed the Case under public resources code 21168.5 as a claim of legal error, as the LRWQCB certified the Final EIR (CEQA document) that failed to proceed in the manner required by law.

The case law used in the litigation can be found in the court filing of case No: 22CV0841.

Mootness Case Law:

- I. Marshall v. Pasadena Unified School Dist. (2004) 119 Cal. app.4<sup>th</sup> 1241
- II. Department of Corrections v. Office of Administrative Hearings (1998) 66 Cal. app.4<sup>th</sup> 1100
- III. Hixon v. County of Los Angeles (1974) 38 Cal. app.3d 370 (Hixon)
- IV. Environmental Protection Information Center, Inc. v. Maxxam Corp. (1992) 4 Cal. App.4<sup>th</sup> 1373 (EPIC)

Basin Plan Violations Case Law

- I. Fukuda v. City of Angels (1999) 20 Cal.4th 805 (Fukada)
- II. Communities for a Better Environment v. State Water Resources Control Bd. (2003) 109 Cal.App.4th 1089 (Communities)
- III. Tesoro Refining & Marketing Co. LLC v. Los Angeles Regional Water Quality Control Bd. (2019) 42 Cal.App.5th 453 (Tesoro).

CEQA Violation Case Law

- I. Artificial-Narrow Project Description Case Law
  - North Coast Rivers Alliance v. Kawamura (2015) 243 Cal. App.4<sup>th</sup> 647
- II. Reasonably foreseeable consequences Case Law:
  - Laurel Heights Improvement Assn. V. Regents of University of CA (1988) 47 cal.3d 376
  - City of Santee v. County of San Diego (1989)214 cal. App. 3d 1438. Ruing, page 32, lines 20-21 and 24-25.

Whether Approval of the CMT Project Violates the Basin Plan

The court determined if the CMT met the Basin Plan requirements by reviewing the seven criteria for the use of pesticides in the waters of Lake Tahoe. The Fishing/Sierra contended that (1) the basin plan does not allow for testing of pesticides, (2) that three of the seven criteria for exemption were not satisfied. During the proceedings, the LRWQCB argued that testimony provided by former staff members should not be given more weight than other public commenters; the court agreed, though citations from Harrold Singer are provided in the filing document. Mr. Singers' testimony that "this is the first time the LRWQCB has been asked to approve an exemption to the prohibition of the discharge of pesticides to Lake Tahoe" was the only evidence the court could find about the history of applications for Basin Plan Exemption. With the extent of the LRWQCBs interpretation of the pesticide prohibition exemption criteria being the narrowly-drawn CMT project goal to *per se* exclude the consideration of non-chemical methods first, the court declined to afford deference to the LRWQCB interpretation. The court found that the basin plan does allow for testing of pesticides in the waters of Lake Tahoe **if** all seven criteria for exemption are satisfied and that non-chemical methods means first must be evaluated and deemed infeasible, and finding of infeasibility must not merely be because the use of non-chemical methods does not satisfy the goal of testing pesticides. **A narrowly drawn project goal cannot deem**

**alternatives to pesticides infeasible, which is precisely what Lahontan staff presented to the LRWQCB in the Staff Report.**

- "The stated goal of the CMT is to test pesticides, with a finding under criterion 1 that non-chemical methods are inappropriate or ineffective because they cannot be used to achieve the project goal to test the pesticide. Such an outcome clearly would be absurd and contrary to the intent of the exemption criteria. Yet this is the precise approach taken by the LRWQCB" – ruling page 13, lines 5-21
- "Limiting the CMT project to evaluation only non-chemical treatment methodologies will reduce the knowledge to be gained and will not accomplish the goals of the project." –Ruling page 13, lines 22-24.

The court found that the LRWQCB abused its discretion in granting the exception to the Basin Plan because the weight of the evidence is contrary to the LRWQCB findings that the CMT satisfied criteria 1 and 6. Fishing/ Sierra had contended criteria 5 was also not met, as the upland influences on plant growth are not fixed (stagnant water, nutrient loading, and water filtration), and the problem will continue after chemical use; the court found their argument fits into criteria 1 and 6, not 5. The aquatic plants are the problem to be solved by the CMT, with a statement that "it may be better policy to require the root cause of AIP infestation prior to discharge of pesticide."

Basin Plan exemption Criterion 1, 5, and 6 can be found on page 10 of the ruling. Criterion 1 and 6 review revolves around fully vetting non-chemical methods first, as stated by the TWSA board throughout the CMT stakeholder process and both written and verbal public comments.

The court did an independent review of three non-chemical methodologies provided by Fishing/Sierra, Bottom Barriers, LFA, and UV-C Light to assess if the weight of the evidence is contrary to the LRWQCBs, finding these non-chemical methods are inappropriate or ineffective.

- I. Bottom Barriers – The court finds that bottom barriers could be part of a successful coordinated effort to use non-chemical methods to address AIPS in the Tahoe Keys. With improved cooperation between homeowners and the integration of other non-chemical methods.
- II. LFA – the inclusion of LFA in the project undercuts the argument that alternatives to pesticides have already been thoroughly evaluated and that on-chemical measures are inappropriate or ineffective in achieving the object goals under carton 1. The court finds that the weight of the evidence established that LFA could be part of an integrated strategy for AIPS in the Tahoe Keys Lagoons.
- III. UV-C light – the inclusion of UV-C light in the CMT undercuts its argument that UV-C light has been thoroughly tested and determined to be inappropriate and ineffective. The fact that UV-C light has been successful at Lakeside Marina, even though structurally different from TKPOA, does not mean that UV-C light could not be effective with modification in the Tahoe Keys Lagoons. Concluding otherwise, the court finds it is overly speculative and does not satisfy the requirement of a thorough evaluation of this method.

The court is mindful that the stated project goal is to test various methods, including herbicide, but as discussed in the previous section, such a narrow-tailed project goal cannot be used to evade the need to evaluate non-chemical methods first to achieve the overarching goal of protecting water quality.

Additionally, experimental and unproven methods are not equal to ineffective or inappropriate. Included in the review of non-chemical methodologies, the court also considered feasibility factors under CEQA guideline 15364. The court reviewed the record, and the most compelling argument in favor of finding non-chemical methods ineffective or inappropriate is the reported relief cost of chemical methods. The CEQA code states that cost is but one of many factors in feasibility. The court finds that the CMT application analysis as to cost is insufficient to find bottom barriers, LFA, and UV-C light infeasible.

The TWSA board included similar language found in the court ruling in regard to cost in the October 28, 2021, TWSA Board approved letter (8-yes, 3-no, 1-abstain) submitted to the LRWQCB as part of the regulatory approval process.

The court finds that costs are presented in a vacuum with little analysis of what these costs would mean for the TKPOA community and how other factors within the feasibility definition of CEQA guideline 15364 play into the analysis. The TKPOA CMT Application lists 1,529 homes and townhomes, a commercial marina, and a commercial center. The court reasonably infers that these homeowners and businesses would charge the cost of the aquatic invasive plant mitigation undertaking.

The court cannot find that the cost of bottom barriers, LFA, and UV-C light alone makes them infeasible.

The scale of the AIS infestation is also a variable used by the TKPOA to dismiss non-chemical methods. The court finds that absent the thorough evaluation required by criterion 1; the court finds the TKPOA has not established that it has conducted such a conclusion that non-chemical methods cannot be employed at a scale that can address the full magnitude of the TKPOA infestation. Such a conclusion is overly speculative and cannot form a basis for deeming the reviewed non-chemical method is infeasible or inappropriate.

Under the intended judgment standard, starting with the presumption that the LRWQCBs' findings are correct, Fishing/Sierra has provided evidence to the court that finds:

- The weight of evidence is contrary to the LRWQCB's finding that the CMT satisfied Basin Plan exemption criteria 1 and 6. Therefore the court found that the LRWQCB abused its discretion in granting the exemption.
- The court finds that Basin Plan Criterion 5 was met
- The court finds that the Basin Plan allows for issuing exemption for pesticide testing, providing all seven criteria are met.

Whether approval of the CMT Violates CEQA

CEQA requirements- The court reviewed the Fishing/Sierra claims that the LRWQCB failed to proceed in a manner required by law by (1) approving a final EIR with an unduly narrow project description, (2) approving a Final EIR without analysis of the reasonably foreseeable consequences of repeated pesticide use. The court finds that both challenges are claims of legal error, and a de novo (from the beginning review) is appropriate.

- I. Whether the LRWQCB erred in approving a Final EIR with an unduly narrow project description. The Fishing/Sierra contest that the project description of the CMT seeks to test aquatic weed control

methods, including herbicide, "point blank requires the use of herbicides" and violates CEQA as the final EIR omitted the analysis of reasonable alternatives.

The LRWQCB counters that the Fishing/Sierra are artificially narrowing the project description and the Draft EIR analysis had reasonable alternative analysis of

- i. Testing of non-chemical methods
- ii. Dredge and replace substrate
- iii. Non-action alternative by continued existing AIS control.

The court finds that the EIR provides a sufficient analysis of the above alternatives and declines to find that the LRWQCB fails to proceed in a manner required by law in approving an initial EIR with an unduly narrow project description.

- II. Whether the LRWQCB erred in approving a Final EIR without an analysis of the reasonably foreseeable consequences of repeated pesticide use.

Discussion on case law

- "An EIR need not consider every conceivable alternative to a project. Rather, it must consider a reasonable range of potentially feasible alternatives that will foster informed decision-making and public participation."  
"An EIR must include analysis of the environmental effects of the future expansion of other actions if: (1) it is a reasonably foreseeable consequence of the initial project, and (2) the future expansion or action will be significant in that it would likely change the scope or nature of the initial project or its environmental effects."  
-Laurel Heights Improvement Association v. Regents of the University of California (1988) 47 Cal. 3d 376. Ruling, page 28, lines 2-3 and 23-24.
- "Thus 'reasonably anticipated future projects; should be considered in an EIR and discussed in a cumulative analysis"  
"In addition, even projects anticipated beyond the near future should be analyzed for their cumulative effect."  
-City of Santee v. County of San Diego (1989)214 cal. App. 3d 1438. Ruing, page 32, lines 20-21 and 24-25.

The Fishing/Sierra argue that the LRWQCB failed to proceed in a manner required by lay by certifying a final EIRL that failed to analyze what it deems is the reasonably foreseeable consequence of the CMT project of repeated pesticide application. Noting evidence into the record supporting the likelihood of repeat pesticide use:

- i. Pesticides do not address the root causes of the AIP infestation, and AIPs will likely re-emerge. Submitting studies:
  - 1. Minnesota Lakes: effects of repeated, early season, herbicide treatments of curlyleaf pondweed
  - 2. Massachusetts: eutrophication and aquatic plant management
  - 3. Minnesota Lakes: evolution of Lakewide, early season herbicide treatments

for control of curlyleaf pondweed.

Though from different states, it is reasonable to anticipate the re-emergence of AIPS after the use of the herbicide.

- ii. The TKPOA's initial 2018 effort to gain Basin Plan exemption reflects the likelihood of repeated pesticide use.
  1. A letter from the LRWQCB to the TKPOA requesting additional information from the proposal that was eventually denied by the LRWQCB: "Following the initial Two-Year test, TKPOA proposed to apply one or more of the aquatic herbicide(s) over a period of 10 additional years." The letter continues, "Available evidence from the use of herbicides along with non-chemical controls to control AIS in California indicates long-term herbicide use will be required." – Ruling page 31, lines 8-14.
  2. A letter from the LRWQCB to the Washoe Tribe of NV and CA states that "the (2018) proposed project is significantly larger in scope than the previously proposed Test Project and proposed long-term aquatic weed control methods, including use of aquatic pesticides." – Ruling page 31, lines 16-19.

The LRWQCB clarified that the CMT project authorized a one-time application of pesticides only and that the assumption that it will lead to future repeated pesticide use is speculative and erroneous. Siting the Lahontan Staff Report's response to comments and the EIR that highlight the one-time application of pesticides, adding, "future treatment methodologies may or may not include chemical treatment. A separate environmental review and permitting process... required for any future herbicide projects." –ruling pages 31 to 32.

The LRWQCB claims that Fishing/Sierra is requesting that they engage in sheer speculation in requiring the EIR to consider future pesticide applications because of the CMT.

The court finds that by using the case law and studies provided by Fishing/Sierra, repeated pesticide use is reasonably foreseeable and should have been considered in the EIR, even if the LRWQCB emphasizes that the CMT is for one-time use of pesticide.

Further, limiting the EIR's analysis to just a one-time use, in the court's view, is tantamount to "chopping a large project into many little ones," explicitly disfavored in case law. Instead, the cumulative impact of repeated pesticide use should have been addressed in the EIR.

Following case law, the court finds:

1. Repeated use of pesticides is a reasonably foreseeable consequence of the initial project, and
2. The future expansion or action will be significant in that it will likely change the scope or nature of the initial project or its environmental effects.



Thus, the court finds that the LRWQCB failed to proceed in a manner required by law in approving a final EIR without an analysis of the reasonably foreseeable consequence of repeated pesticide use.

### **Deposition**

**The court found that the Case is not moot, as meaningful relief can be granted to Fishing/Sierra. Further, even if the mootness doctrine did apply, the court finds that the resolution of the issues before the court are in the public interest, triggering an exemption to the mootness doctrine. The court declined to dismiss the Case per the mootness doctrine.**

**The court finds that the weight of the evidence is contrary to the LRWQCB finding that the CMT satisfied the Basin Plan Exemption Criteria 1 and 6. Therefore, the court finds that the LRWQCB abused its discretion in granting the exemption. The court finds that basin plan criterion 5 was met. The court finds that the Basin Plan allows for issuing exceptions for pesticide testing, providing all criteria are met.**

**The court finds that the LRWQCB failed to proceed in a manner required by law in approving the final EIR without analysis of the reasonably foreseeable consequences of repeated pesticide use. The court finds that the unduly narrow project description in the Final EIR is allowable, as Fishing/Sierra's evidence did not establish that the LRWQCB failed.**

**The court issued a writ of mandate commanding the LRWQCB to vacate and set aside its approval of the CMT and any and all approvals rendered pursuant to and or in furtherance of the implementation of the project.**

**The court ordered the LRWQCB to withdraw its approval of the pesticide prohibition exemption from the Basin Plan and withdraw its certification of the final EIR.**

**Fishing/Sierra are the prevailing parties.**